

DISCLAIMER

*This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).*

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, JUNE 15, 2000

APPLICATION OF

DOSWELL LIMITED PARTNERSHIP

CASE NO. PUE000092

For a certificate of public convenience and necessity pursuant to Va. Code § 56-265.2, for an exemption from the provisions of Chapter 10 of Title 56 pursuant to Va. Code § 56-265.2 B, for a waiver of or exemption from Commission information requirements, for interim authority to make financial expenditures and to undertake certain activities, and for other and further relief

FINAL ORDER

On February 18, 2000, Doswell Limited Partnership ("Doswell") filed an application with supporting testimony and exhibits requesting the issuance of a certificate of public convenience and necessity pursuant to § 56-265.2 of the Code of Virginia to build a single combustion turbine with a nominal rating of approximately 171 MW. In addition, Doswell requested (1) an exemption from the provisions of Chapter 10 of Title 56 of the Code of Virginia, (2) a waiver of or exemption from certain of the Commission's information requirements, and (3) interim authority to make financial expenditures for the

project and to undertake certain permitting and site development work, all at Doswell's risk and expense.

By order dated March 7, 2000, the Commission docketed the application, assigned the case to a Hearing Examiner, established a hearing date and procedural schedule, and established public notice requirements. Also on March 7, 2000, the Commission issued a Protective Order limiting the use of documents, materials, or information Doswell designated as confidential. On March 22, 2000, the Commission entered an Order for Supplemental Notice, requiring Doswell to publish notice specifying its request for exemption from the provisions of § 56-234.3 of the Code of Virginia. On April 20, 2000, the Commission issued an Order Granting Exemption thereby exempting Doswell from provisions of § 56-234.3 of the Code of Virginia. In doing so, the Commission authorized Doswell, at its own risk, to make financial expenditures for site preparation, permitting and other construction activities effective immediately.<sup>1</sup>

No Protests were filed in this case. On April 24, 2000, Virginia Power submitted comments supporting the application. Staff and Doswell reached agreement with regard to the issues raised by the application, as evidenced by their Stipulation filed on June 12, 2000, and made part of the record herein.

---

<sup>1</sup> Order Granting Exemption at 2.

Under § 56-265.2 of the Code of Virginia, the Commission is not required to address need when granting a certificate for electric generating facilities that will not be included in the rate base of any regulated utility. However, it is noted that, in April of this year, Doswell and Virginia Power entered into a contract by which Doswell will sell the energy and capacity from the proposed project to Virginia Power from June 1, 2001, through December 31, 2005. Upon expiration of the power purchase agreement, Doswell intends to operate the proposed facility as a merchant facility. Virginia Power, in its comments filed in this case, states that the project will have no material adverse effect on the rates paid by its customers. Further, by helping meet the increased load projections for the Virginia Power service territory, this project will enhance the reliability of the electrical system.

Staff has reviewed the application and states that Doswell has a well-developed preliminary plan and is capable of completing the project. Hanover County supports the application. The Virginia Department of Environmental Quality ("DEQ") has issued a stationary source permit to construct and operate the facility. Doswell has also documented its conformance with the requirements of the Chesapeake Bay Preservation Area Designation and Management Regulations.

On June 13, 2000, this case was heard before Hearing Examiner Howard P. Anderson. No public witnesses or interveners appeared. The proofs of notice ordered earlier were introduced and made part of the record, as were the Application, the testimony of Company witnesses Scot C. Hathaway and William L. Sheehan, Jr., the testimony of Staff witnesses Lawrence T. Oliver, Mark K. Carsley, and John A. Stevens, and the Stipulation. At the conclusion of the proceeding, Examiner Anderson delivered his Report from the bench. In the Report, he found that:

1. The Stipulation agreed to between Staff and Doswell should be adopted;
2. The proposed facility is subject to the requirements of § 56-265.2 B of the Code of Virginia;
3. The project will not have a materially adverse impact on the rates paid by customers of any regulated public utility in the Commonwealth;
4. Doswell has the financial and technical ability to complete and operate the project;
5. The project will bring economic development benefits with it, primarily in the form of increased tax base for the Commonwealth and Hanover County;
6. The project will have no material adverse effect upon the reliability of electric service provided by any regulated

public utility in the Commonwealth, and will, in fact, enhance the reliability of the electric system;

7. The proposed project is not otherwise contrary to the public interest;

8. The Commission should, pursuant to § 56-265.2 B, issue a certificate of public convenience and necessity for the Doswell project; and

9. The project should be exempt from the remainder of the provisions of Chapter 10 of Title 56 as well as § 56-234.3 of the Code of Virginia.

On the basis of these findings, Examiner Anderson recommended that we enter an order that:

1. Adopts the findings set forth above;

2. Grants Doswell a certificate of public convenience and necessity pursuant to § 56-265.2 B of the Code of Virginia for the proposed facility; and

3. Grants the Doswell proposed facility an exemption from the provisions of Chapter 10 of Title 56 and specifically § 56-234.3 of the Code of Virginia.

Both the Staff and the Company waived the period for comment upon the Report.

NOW THE COMMISSION, having considered the record developed herein, including the Application, the Staff Report, the Stipulation, the DEQ recommendations, the testimony and the

Hearing Examiner's Report, along with the applicable statutes and rules, is of the opinion and concludes that the findings and recommendations of the Hearing Examiner are reasonable and should be adopted. We concur with the Examiner that the application meets the requirements for a certificate pursuant to § 56-265.2 B and that the proposed facility is not otherwise contrary to the public interest.

Accordingly, IT IS ORDERED THAT:

(1) The findings and recommendations of the Hearing Examiner's June 13, 2000, Report are adopted.

(2) Pursuant to § 56-265.2 B of the Code of Virginia, Doswell is authorized to construct at its site in Hanover County, Virginia, the generating unit with a nominal summer capacity rating of 171 megawatts.

(3) The facilities authorized herein shall be exempt from the provisions of Chapter 10 of Title 56 of the Code of Virginia.

(4) There being nothing further to come before the Commission, this case is dismissed and the papers transferred to the file for ended causes.